



บริษัท ที เอส ฟลาวมิลล์ จำกัด (มหาชน)
T S FLOUR MILL PUBLIC COMPANY LIMITED

“เรา คือ ผู้ผลิตแป้งสาลีชั้นนำ โดยมุ่งเน้นการพัฒนาสู่ความเป็นเลิศ ทั้งในด้านพาณิชย์และคุณภาพผลิตภัณฑ์อย่างยั่งยืนมืออาชีพ”

February 29, 2024

Subject: Clarification on the cause of changes in operating results.

To: Director and Manager
The Stock Exchange of Thailand

According to T S Flour Mill Public Company Limited ("the Company"), the financial statements for the year 2023 Ended on December 31, 2023. The company's financial statement showed net profit of 59.10 million baht. Compared to the year 2022, net profit decreased by 50.31 million baht or 46.0%. The Company would like to clarify as follows :

Unit : Thousand Baht

Description	2023		2022		2023 compare with 2022	
	Amount	%	Amount	%	More (Less) Amount	%
<u>Average Capacity Utilization</u>		<u>67.17%</u>		<u>69.59%</u>		<u>(2.42%)</u>
Revenue from sales	1,870,462,978	100.0%	1,965,195,913	100.0%	(94,732,935)	(4.8%)
Cost of sales	(1,664,268,501)	(89.0%)	(1,668,099,881)	(84.9%)	(3,831,380)	(0.2%)
Gross Profit	206,194,477	11.0%	297,096,032	15.1%	(90,901,555)	(30.6%)
Gain from Exchange Rate	3,563,407	0.2%	17,976,426	0.9%	(14,413,019)	(80.2%)
Gain on Derivatives	8,511,404	0.5%	(13,372,517)	(0.7%)	21,883,921	(163.6%)
Other income	2,039,850	0.1%	841,643	0.0%	1,198,207	142.4%
Selling expenses	(35,049,172)	(1.9%)	(38,123,656)	(1.9%)	(3,074,484)	(8.1%)
Administrative expenses	(92,239,154)	(4.9%)	(111,805,154)	(5.7%)	(19,566,000)	(17.5%)
Finance cost	(18,623,861)	(1.0%)	(14,337,530)	(0.7%)	4,286,331	29.9%
Profit before income tax	74,396,951	4.0%	138,275,244	7.0%	(63,878,293)	(46.2%)
Income tax expenses	(15,301,590)	(0.8%)	(28,871,681)	(1.5%)	(13,570,091)	(47.0%)
Profit for the period	59,095,361	3.2%	109,403,563	5.6%	(50,308,202)	(46.0%)
Basic earnings per share	0.15	Baht	0.27	Baht	(0.12)	(44.4%)

The company's sales revenue in 2023 decreased by 4.8% compared to the same period last year. The income from selling wheat flour decreased by 5.3% as a result of the quantity sold of wheat flour decreased by 3.8% and the average selling price of wheat flour decreased by 2.3%.

Wheat bran sales increased by 0.5% as a result of the average wheat bran selling price increasing by 8.9%, even though wheat bran sales volume decreased by 4.6%.



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Gross profit margin decreased 4.1% compared to the previous year. This was a result of the average selling price of wheat flour decreasing by 2.3%, but the average cost increasing by 4.0%.

Current situation

Because in 2021-2022 the market prices for wheat and wheat flour increased significantly, but in 2023 the wheat market prices decreased since the end of the first quarter and have continued to decline until now.

With the situation of fluctuations in the price of raw materials in this world coupled with the economic situation that is not very good As a result, the company Flour sales were lower than the target and caused stocks of high-priced raw materials to remain longer than usual. But in terms of selling price, the price has been continuously negotiated down by customers. The company is forced to sell at a loss in order to maintain relationships with customers. while still having to bear the burden of high-cost wheat stocks As a result, the gross profit margin decreased significantly in the second half of the year.

However, the company still has overall operating results that are good when compared to businesses in the agricultural product group. And even if faced with severe fluctuations in cost prices and selling price of flour Until causing a decrease in operating profits, TMILL still adheres to creating returns for shareholders, with profits in 2023 being presented as dividend payments to all shareholders.

Sustainable Business Development Strategy Drive

The company has been operating in accordance with a sustainable business development strategy. In the year 2023, the Company has defined its sustainable vision as "We" will grow together with creating social and environmental value based on good corporate governance. This is achieved by integrating sustainable development approaches with business operations and pursuing policies and goals for ethical and sustainable development. The organization's mission is reviewed comprehensively to cover all stakeholders throughout the supply chain.

Furthermore, the company has launched the Tmill caravan for society to advance in creating happiness, smiles, and strength for communities, society, and the environment through various monthly activities, reinforcing the mission:

- TMILL is relentlessly dedicated to creating the highest quality products and services with cutting-edge innovation to enhance the quality of life for consumers.
- TMILL provides the most valuable returns to shareholders by adhering to ethical principles in conducting business and achieving profitable and sustainable growth.
- TMILL is the preferred and trusted partner, delivering services beyond expectations.
- TMILL cultivates an organizational culture that emphasizes efficiency, is a learning organization, provides opportunities for employee participation, and encourages employees to utilize their best potential with dedication and responsibility.
- TMILL plays a crucial role in creating positive impacts on communities and society.

Please be informed accordingly.

Yours sincerely,

Waewta Kullachothhada

(Ms. Waewta Kullachothhada)

Chief Financial Officer & Company Secretary